

**The City of Chicago's Comments to the Illinois Commerce Commission's  
Plug-In Electric Vehicle Policy Initiative  
January 20, 2011**

The City of Chicago (the City) appreciates the opportunity to submit comments to the Illinois Commerce Commission (the Commission) regarding the Commission's Electric Vehicle Policy Initiative (the Initiative). The City is a strong advocate of vehicle electrification, and is pleased to be a leader in the development and implementation of publicly available charging infrastructure. Used in the right applications, electric vehicles can be a vital component in achieving the City's economic and environmental goals, while supporting businesses and residents to take advantage of this exciting new technology.

**Vehicle Electrification Addresses Climate Action Goals**

In September, 2008, after a thorough analysis of emissions sources in Chicago, the City unveiled the Chicago Climate Action Plan (CCAP). CCAP outlines the City's goal to reduce greenhouse gas emissions in Chicago to 25% below 1990 levels by 2020 and functions as a framework for the City's environmental priorities and a call to action on those priorities. Alternative fuels and advanced vehicle technologies are critical elements of CCAP, which calls for a 10% increase in the use of alternative fuels in Chicago by 2020. Vehicle electrification will play a key role in helping Chicago achieve CCAP goals.

**City Convenes Chicago Electric Vehicle Consortium**

To explore vehicle electrification and to develop a strategy for implementation, the City's Department of Environment convened the Chicago Electric Vehicle Consortium (CEVC). This stakeholder group includes key members from organizations ranging from local and state governments, vehicle manufacturers, utilities, battery suppliers, fleets and research institutions. The purpose of the CEVC is to assist the City in identifying appropriate time-specific targets, policies, and actions working towards effective electric vehicle implementation, cleaner transportation, and a progressive and evolving transportation system that benefits all Chicago residents.

**City and State Launch First Phase Plug-In Electric Vehicle Infrastructure Project**

Through a partnership between the City and the State of Illinois, the deployment of first phase public electric vehicle charging infrastructure supporting the Chicago area will commence in 2011. With the support of approximately \$1 million from a US Department of Energy grant to the City and an additional \$1 million from the Illinois Department of Commerce and Economic Opportunity, the deployment project leverages additional private investment to build out a robust network of charging infrastructure.

**City of Chicago Comments on Commonwealth Edison's Initial Assessment**

Generally, the City believes Commonwealth Edison Company's (ComEd) Initial Assessment highlighted many of the appropriate issues for the Commission and other stakeholders in vehicle electrification to consider.

#### *Impacts to the Distributions System*

While short-term impacts to the grid may be minimal due to projected low initial market penetration of electric vehicles, preparing to address the impact of anticipated increased future market saturation is critical. The City supports a combined effort of Level 1 in-home charging combined with publicly available DC Fast Charge technology in the near-term as utilities determine measures needed to prepare for broad scale plug-in electric vehicle market adoption. It is vital that the key stakeholders continue to work together to ensure that information on charging behaviors and choices are made publicly available for analysis and planning purposes, and to assist ComEd in ensuring that there are no major impacts to reliability.

#### *Pricing Options for PEV Charging*

The City believes that to benefit economically and environmentally from electric vehicles, it is necessary for new electricity pricing policies to be investigated and adopted. Encouraging electric vehicle owners to charge during non-peak times and when renewable energy is available on the grid is a critical strategy. The City supports ComEd's research and modeling of possible pricing structures and looks forward to engaging in further discussion.

#### *PEV and PEV Charging Infrastructure Deployment*

The City agrees with ComEd's assessment that third parties should be allowed to own, install, and operate electric vehicle charging stations. The City also agrees that it is important that charging station operators not be considered resellers of electricity. If necessary, current laws should be modified so that third parties can provide this necessary service to electric vehicle users. Third party operated charging stations should be allowed to set the pricing for their service similar to how gas stations currently determine their pricing for traditional fuels. In addition, the City believes that multiple business models should be allowed to compete to provide publicly available infrastructure, ensuring that the most innovative platforms are available to businesses and residents.

#### *Information and Education for Consumers*

The City acknowledges that education will be a fundamental requirement to capturing the myriad potential benefits from vehicle electrification, and that the electric utilities will play a large role in this. The City believes that ComEd's Phase One communication plan should incorporate lessons from other broad scale marketing and communication programs that leverage community leaders and trusted advisors to disseminate the messaging. This phase should be implemented immediately in order to provide accurate and local information to help dispel misconceptions about vehicles that consumers are exposed to via traditional media and other outlets. The City looks forward to learning more about ComEd's information and education plan.

#### *Connection to Smart Grid*

The City urges all infrastructure investments (in home and public) to be smart grid compatible, and allow data to be aggregated and analyzed wherever feasible. This will also provide benefits for next generation vehicle-to-grid technologies to be applied.

#### *Broad-scale Policy Questions*

The City believes that there are a number of policy questions that still must be addressed, including the appropriate method to allocate costs for necessary infrastructure upgrades and smart grid investments connected to the increased number of electric vehicles. Because of the Chicago region's leadership on electric vehicle infrastructure, Illinois is well-placed to begin to analyze and address these broad policy questions in the near term.

#### **Next Steps**

The Commission's December 13, 2010 fact sheet regarding its Electric Vehicle Policy Initiative proposes that stakeholders participate in working groups to discuss various issues concerning electric vehicles. The City urges the Commission to order a facilitated process that ensures comprehensive answers that balance the economic and environmental opportunities associated with vehicle electrification. The City looks forward to participating in those conversations.